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SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA BARBARA

CANNDESCENT JV, L.L.C. and MSLTD,
L.L.C.

Plaintiffs,

v.

FIORE MANAGEMENT, L.L.C. a/k/a
CANNDESCENT, and ADRIAN SEDLIN
DOES 1 – 100.

Defendants.

Case No. 18CV01128
(Assigned to Hon. Colleen K. Sterne)

**OPPOSITION TO MOTION FOR
RECONSIDERATION OF ORDER
GRANTING INTERVENTION**

Date: March 18, 2019
Time: 9:30 am
Dept. 5

**[DECLARATION OF JOE DOBSON
IN SUPPORT OF OPPOSITION FOR
RECONSIDERATION; REQUEST
FOR JUDICIAL NOTICE FILED
CONCURRENTLY HEREWITH]**

TO THE COURT:

HCB Financial Corp. (hereinafter "HCB") respectfully opposes the Motion for
Reconsideration of the court's February 6, 2019 order allowing HCB to intervene into the pending

EXHIBIT

F

1 action to assert a complaint in intervention for fraudulent transfer that is set for hearing on March 18,
2 2019 as set forth more fully below.

3 The court on February 4, 2019 was presented with substantial evidence that McPherson had
4 been for many many years hiding her assets in shell entities to avoid collection. The present
5 investment forming the subject matter of the pending action is an investment by McPherson and
6 entities she controls such as Candescent JV to interfere with HCB's judgment creditor collection
7 efforts. Unless HCB was allowed to intervene in the pending action to assert a complaint for
8 fraudulent transfer, it would have been prevented from collecting the money that McPherson owes to
9 HCB that is the subject of the pending action. Counsel for Fiore also supported intervention.

11 **It was only after intervention was granted on February 4th, and the court order of**
12 **February 6th that McPherson finally deposited with the Mississippi court over 2 million dollars**
13 **to allow partial satisfaction of the long unsatisfied judgment. That evidence alone establishes**
14 **that the court's decision to grant intervention was proper and still remains proper because the**
15 **judgment is not fully satisfied when including interest, attorneys' fees and costs allowed by law**
16 **and contract. HCB will be filing a motion to amend the judgment on or before March 15, 2019**
17 **to include accrued interest allowed by law along with accrued attorney's fees and costs.**

19 If intervention was not permitted on February 4, 2019, then Defendant Fiore Management,
20 LLC could have easily transferred money under the settlement agreement Plaintiff CannDESCENT JV
21 and McPherson, to the detriment of HCB who has been attempting for over 5 years, without success,
22 to collect the judgment against McPherson. **The court on February 4th agreed with this analysis**
23 **based upon the overwhelming evidence presented to the court and granted intervention and**
24 **issued an order on February 6th granting intervention.** The complaint in intervention was filed
25 with the court on February 6, 2019.
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1 McPherson now seeks reconsideration based upon erroneous and false conclusions drawn
 2 from an order of the Mississippi court. If the motion for reconsideration is granted, which it should
 3 not, it will result in dismissal of HCB's complaint in intervention contrary to law because dismissal
 4 can only be sought pursuant to *Code of Civil Procedure Section 581*. The pending motion for
 5 reconsideration does not seek dismissal under *Code of Civil Procedure Section 581* because no facts
 6 could form the basis of dismissal under that section. Therefore, procedurally the motion for
 7 reconsideration must be denied.
 8

9 The motion must also be denied on substantive grounds because the new alleged facts are
 10 portrayed falsely and a clear reading of the Mississippi Federal Court Order does not support
 11 reconsideration nor is it well based. Therefore the motion must be denied in whole.
 12

13 **1. THE MOTION IS BASED ON FALSE STATEMENTS AND HALF TRUTHS:**

14 Reconsideration is sought based upon a Mississippi Federal Court order dated February 13,
 15 2019 (hereinafter "Mississippi Federal Court Order"). Moving Party falsely portrays the Mississippi
 16 Federal Court Order (Exhibit A to Declaration of Philip Dracht in Support of Motion for
 17 Reconsideration), thereby attempting to mislead this court by omission, a grave and serious error.
 18

19 **Mr. Dracht bases the motion for reconsideration upon the following false statements or**
 20 **half truths and he must be admonished for the following half truths and false statements in his**
 21 **motion for reconsideration:**

22 a. Page 2, Lines 16 – 18 of the Motion: "Therefore, since McPherson has paid the principal
 23 and interest of the HCB judgment and there is no allowed claim for attorney fees and costs, HCB has no
 24 claim against McPherson and there is therefore no legally cognizable basis for its intervention."

25 b. Page 6, Lines 1 – 3 of the Motion: "The deposit of funds into the registry of the United
 26 States District Court for the Southern District of Mississippi has satisfied the principal amount of HCB's
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1 judgment and all accrued interest save a *de minimis* amount. At this time, given the lack of an application
2 for attorney fees and costs, HCB's judgment has been satisfied."

3 c. Page 6, Lines 9 – 13 of the Motion: "HCB's intervention has also been mooted in a second
4 way. HCB seeks to intervene in order to pursue a fraudulent transfer action against McPherson. Since the
5 principal and interest of HCB's claim has been satisfied by McPherson's deposit, and since HCB's
6 purported claim for attorney fees and costs has yet to be filed, at this time HCB is not a creditor of
7 McPherson.
8

9 d. Page 6, Lines 17 – 19 of the Motion: "HCB's judgment claim against McPherson has now
10 been satisfied, with the possible exception of a *de minimis* amount of interest. Since HCB's demand has
11 been satisfied by the deposit of funds, there is no basis for HCB's intervention."

12 Page 1 of the Mississippi Federal Court Order states that the motion forming the basis of the
13 Mississippi Federal Court Order "should be granted in part and denied without prejudice in part,
14 allowing Kennedy (aka McPherson) to deposit the funds into the registry of the Court, **but denying**
15 **any declaratory relief that the judgment in this case is satisfied.**" The Mississippi Federal Court
16 Order allowed Kennedy to deposit money with the court to partially satisfy the HCB judgment **but**
17 **denied her request to deem the HCB judgment fully satisfied.** **This language of the court makes**
18 **each statement by Mr. Dracht as quoted above a false statements of fact to mislead this court.**
19

20 Page 1 of the Mississippi Federal Court Order further states that the court "will allow Plaintiff
21 HCB Financial Corporation to file any motion to collect on post-judgment attorneys' fees or costs
22 within 30 days of the date of entry of this order." This language means that HCB has until March 15,
23 2019 to file the motion for post judgment interest, attorney's fees and costs. Based upon this language
24 Mr. Dracht's statements above are false statements of fact to mislead the court. The Mississippi
25 Federal Court Order allows HCB to file a motion on or before March 15th for interest, attorneys' fees
26 and costs that totals more than 1.9 million dollars. (See Declaration of Joe Dobson in Support of
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1 Preliminary Injunction Filed on February 6, 2019, Page 2, Lines 5 – 11 that the court is asked to take
2 Judicial Notice Pursuant to Evidence Code Section 452)

3 Mr. Dracht also falsely asserts at Page 6, Line 11 – 12 of the motion for reconsideration that
4 “HCB is not a creditor of McPherson”, another false statement of fact. The law of every state allows
5 an unsatisfied judgment to accrue interest. In California a judgment accrues interest at the rate of 10%
6 per annum. The United States Court’s Website states as follows:

8 **28 U.S.C. 1961 - Post Judgment Interest**

9 **Rates:** *Title 28. Judiciary and Judicial Procedure Part V--*
10 *Procedure, Chapter 125--Pending Actions and Judgments, §*
11 *1961. Interest*

12 (a) Interest shall be allowed on any money judgment in a civil case recovered in a
13 district court. Execution therefor may be levied by the marshal, in any case where, by the
14 law of the State in which such court is held, execution may be levied for interest on
15 judgments recovered in the courts of the State. Such interest shall be calculated
16 from the date of the entry of the judgment, at a rate equal to the weekly average 1-
17 year constant maturity Treasury yield, as published by the Board of Governors of the
18 Federal Reserve System, for the calendar week preceding. [FN1] the date of the
19 judgment. The Director of the Administrative Office of the United States Courts shall
20 distribute notice of that rate and any changes in it to all Federal judges.

(b) Interest shall be computed daily to the date of payment except as provided in section
21 2516(b) of this title and section 1304(b) of title 31, and shall be compounded annually.

22 As a result of this code section, Mr. Dracht’s statements noted above are false and made with
23 intent to deceive the court. The Mississippi Federal Court Order attached as Exhibit A to Mr.
24 Dracht’s declaration in support of reconsideration also contradicts Mr. Dracht’s false statements, as
25 the court in Mississippi allowed HCB to file a motion for post judgment fees and costs within 30
26 days, on or before March 15, 2019. The uncollected judgment for more than 5 years has been
27 accruing interest and is therefore not satisfied and McPherson’s payment of \$2,036,93.60 is not
28 payment in full of all indebtedness under the HCB Judgment. Relying on Joe Dobson’s statement in

1 his declaration to Support the Injunction filed with the court on February 6, 2019, Page 2, Lines 5 –
2 11 states that the total amount owed under the judgment, with accrued interest, attorneys’ fees and
3 costs as of February 6, 2019 is \$3,911,654.23. His declaration on February 6, 2019 states as follows:

4 “Even though the Amended Final Judgment has been in place since July 11, 2013, McPherson
5 has never paid any money to HCB in satisfaction of the Amended Final Judgment. As of
6 February 6, 2019, the current balance due in connection with the Amended Final Judgment is
\$3,911,654.23, including post-judgment interest, costs, attorneys’ fees and expenses.”

7
8 That means after crediting McPherson’s payment of \$2,036,293.60, there remains unpaid as of
9 February 6, 2019 the sum of 1,875,360.63 and that sum continues to increase each day with accrued
10 interest, attorneys’ fees and costs. Therefore, the motion for reconsideration is based upon false
11 statements of fact that the judgment has been satisfied, when it is not satisfied, and therefore the
12 motion for reconsideration should be denied.

13
14 Joe Dobson’s declaration opposing this motion for reconsideration filed concurrently with this
15 opposition states as follows regarding the McPherson payment and the outstanding judgment at
16 Paragraph 6 on Page 3, Lines 5 – 8:

17 “As of the date of this Declaration, the amount deposited by McPherson on February 19,
18 2019, has not been disbursed to HCB. Therefore, as of February 19, 2019, the balance due in
19 connection with the Amended Final Judgment was \$3,920,835.61, including post-judgment interest,
costs, attorneys’ fees and expenses.”

20
21 Joe Dobson’s declaration opposing this motion for reconsideration filed concurrently with this
22 opposition states as follows regarding the McPherson payment and the outstanding judgment at
23 Paragraph 5 on Page 3, Lines 1 – 3:

24 “Thus, the Amended Final Judgment has not been satisfied. According to the Deposit Order,
25 HCB’s motion for post-judgment attorneys’ and costs is due on or before March 15, 2019. HCB will
26 file such a motion before the due date.”

27 **As a result, the judgment is unsatisfied by the payment of \$2,036,293.60 and HCB will**
28 **file its motion for post judgment attorney’s fees, interest and costs before March 15, 2019.**

1 **2. THE ORIGINAL ORDER GRANTING INTERVENTION WAS PROPER:**

2 HCB sought leave of court to intervene in the pending action pursuant to *Code of Civil*
 3 *Procedure Section 387(d)(2)*. HCB has an interest in the subject “matter of the (pending) litigation
 4 and has an interest in the success of either party and interest against both Plaintiff Canndescent JV
 5 and Defendant Fiore Management, LLC as permitted by *Code of Civil Procedure Section 387(d)(2)*.
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7 HCB has a judgment against Lee McPherson aka Lee Kennedy pursuant to judgment entered
 8 in the US District Court of Mississippi. (See Exhibit 1 to the Complaint in Intervention). The
 9 Judgment is not satisfied in full. **Moreover, as stated in the Declaration of Joe Dobson filed in**
 10 **opposition to this motion for reconsideration on Page 3, Paragraph 5, HCB will file a motion to**
 11 **amend the judgment on or before March 15th in the United States District Court to include all**
 12 **accrued interest on the judgment, all court costs and all attorney’s fees allowed under contract**
 13 **and law.** As of February 5, 2019, The total amount of the judgment including accrued interest, costs
 14 and attorney’s fees was over 3.9 million dollars as stated in the declaration of Mr. Dobson filed with
 15 the court on January 28, 2019. The court is asked to take Judicial Notice under *Evidence Code*
 16 *Section 452(d)* of the Declaration of Joe Dobson in Support of Injunction Filed on January 28, 2019.
 17 See Page 2, Lines 8 – 11 of that declaration.
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19 As stated in the Motion for Intervention filed on January 28, 2019, McPherson has been
 20 hiding her assets in shell entities to avoid collection. The present investment forming the subject
 21 matter of the pending action is an investment to interfere with HCB’s judgment creditor collection
 22 efforts. Unless HCB was allowed to intervene in the pending action to assert a complaint for
 23 fraudulent transfer in violation of the *Fraudulent Transfer Act*, it would have been prevented from
 24 collecting the money that McPherson owes to HCB that is the subject of the pending action. **Plaintiff**
 25 **Canndescent JV and Defendant Fiore Management, LLC reached a settlement, that would**
 26 **result in millions of dollars being transferred to McPherson and entities she controls. If money**
 27 **is transferred to McPherson, it will be used to pay her personal debts and to fund her lifestyle.**
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1 was allowed to be transferred, then HCB would have been unable to obtain the money forming
 2 the subject matter of the pending action. This fell squarely within the prevue of the express
 3 language permitting intervention pursuant to *Code of Civil Procedure Section 387(d)(2)*.

4 *Code of Civil Procedure Section 387(d)(2)* permits intervention “if the person has an interest
 5 in the matter in litigation.” Intervenor HCB alleges in the complaint in intervention that the
 6 settlement money, is truly an asset subject to collection by HCB pursuant to its amended judgment
 7 from the United States District Court in Mississippi. This falls squarely within the express language
 8 permitting intervention pursuant to *Code of Civil Procedure Section 387(d)(2)*.

9 *Code of Civil Procedure Section 387(d)(2)* further permits intervention “if the person has an
 10 interest ... in the success of either of the parties, or an interest against both.” As stated in the
 11 complaint in intervention, HCB also has an “interest against both” Plaintiff CannDESCENT JV and
 12 Defendant Fiore Management, LLC for the money forming the basis of the settlement. HCB seeks
 13 recovery of the settlement money that is subject to collection by the HCB’s Amended Judgment
 14 issued in the United States District Court in Mississippi. This also falls squarely within the express
 15 language permitting intervention under *Code of Civil Procedure Section 387(d)(2)*.

16 The new facts presented to the court do not change the propriety of the court’s February 6th
 17 order granting intervention. Therefore, the motion for reconsideration should be denied.

18 **3. STATUTE OF LIMITATIONS IN TEXAS IS 10 YEARS FOR ALTER EGO**
 19 **FRAUDULENT TRANSFER:**

20 The moving papers falsely assert that the applicable Texas statute of limitations is 4 years,
 21 another false statement by the moving party. As stated in *In re Moore*, 379 B.R. 284 (2007), the
 22 applicable statute of limitations on a claim for fraudulent transfer is 10 years. See highlighted on Page
 23 10 and 11 of the attached case of *In re Moore*. (See Exhibit 1 to this Opposition) The complaint in
 24 intervention alleges alter ego liability as well as conspiracy to interfere with collection, all of which
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1 act to go well beyond the 4 year asserted period, even if Texas law applies. For this reason and
2 others, the assertion of statute of limitations should be rejected.

3 **4. CONCLUSION:**

4 The motion for reconsideration is based upon false statements of fact and omission and falsely
5 asserted arguments. Therefore it should be denied. Intervention must be maintained pursuant *Code of*
6 *Civil Procedure Section 387(d)(2)*. HCB's judgment is not fully satisfied as there is almost 1.9
7 million dollars of unpaid interest, attorney's fees and costs. Moving Party's new facts are not new
8 facts to support setting aside the order granting HCB intervention. Therefore, the motion for
9 reconsideration must be denied.
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12 DATED: 3-5, 2019

LAW OFFICE OF JAMES A. ANTON

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14 James A. Anton, Attorney for HCB Financial Corp.
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Attorney for Plaintiff & Intervenor, HCB Financial Corp.

**SUPERIOR COURT OF THE STATE OF CALIFORNIA
COUNTY OF SANTA BARBARA**

CANNDESCENT JV, L.L.C and MSLTD,
L.L.C,

Plaintiff,

v.

FIORE MANAGEMENT L.L.C. dba
CANNDESCENT and ADRIEN Z SEDLIN and
DOES 1 - 100

Defendants.

Case No. 18CV01128
(Assigned to Hon. Colleen K. Sterne)

**DECLARATION OF JOE DOBSON
IN SUPPORT OF OPPOSITION TO
MOTION FOR RECONSIDERATION**

Date: March 4, 2019
Time: 9:30 am
Dept. 5

1. My name is Joe Dobson. I am over 18 years old and competent to make this declaration, which is based on my own personal knowledge.
2. I am the President of HCB Financial Corp. ("HCB"), an office I have held continuously since March 22, 2011. In my capacity as President of HCB, I am the custodian of records. I am familiar the records of HCB, including, without limitation, those records maintained by HCB relating to Ms. Lee McPherson, a/k/a Lee F. Kennedy, a/k/a Lee K. Freyer. The records or

1 documents referenced in this Declaration are or were kept in the ordinary course of HCB's business,
2 and making or storing such records, including, without limitation, documents produced in discovery
3 and pleadings, papers, and orders filed or entered in cases in which HCB is party, is HCB's regular
4 practice.

5 3. This declaration is made in support of HCB's Opposition to Motion for
6 Reconsideration.

7 4. On March 14, 2013, HCB obtained a judgment against Ms. Lee K. McPherson, a/k/a
8 Lee F. Kennedy ("McPherson") in the case styled *HCB Financial Corp. v. Mississippi Investors VI,*
9 *LLC, et al.*, United States District Court for the Southern District of Mississippi, Case No. 1:10cv559
10 (the "District Court Case"). On July 11, 2013, HCB obtained an Amended Final Judgment against
11 McPherson. True and correct copies of the Judgment and the Amended Final Judgment are attached
12 to this Declaration as Exhibit A.

13 5. Even though the Amended Final Judgment had been in place since July 11, 2013,
14 McPherson paid no money in partial or full satisfaction of the Amended Final Judgment until
15 February 19, 2019, when she deposited \$2,036,293.60 with the Clerk of the United States District
16 Court for the Southern District of Mississippi. On February 13, 2019, the court in the District Court
17 Case entered that certain Order Granting in Part and Denying Without Prejudice in part Defendant
18 Lee F. Kennedy's Motion [425] for Leave to Deposit Funds with the Court and for an Order
19 Declaring the Judgment Satisfied (the "Deposit Order"). A true and correct copy of the Deposit Order
20 is attached to this Declaration as Exhibit B. In the Deposit Order, the Court authorized McPherson
21 to deposit \$2,036,293.60, but the Court wrote, "The Court DENIES WITHOUT PREJUDICE
22 Defendant Lee F. Kennedy's request for a determination that the judgment is satisfied, and will allow
23 Plaintiff HCB Financial Corporation to file any motion for post-judgment attorneys' fees and costs
24 within thirty (30) days of the date of entry of this Order." Thus, the Amended Final Judgment has not
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1 been satisfied. According to the Deposit Order, HCB's motion for post-judgment attorneys' and costs
2 is due on or before March 15, 2019. HCB will file such a motion before the due date.

3 6. As of the date of this Declaration, the amount deposited by McPherson on February
4 19, 2019, has not been disbursed to HCB. Therefore, as of February 19, 2019, the balance due in
5 connection with the Amended Final Judgment was \$3,920,835.61, including post-judgment interest,
6 costs, attorneys' fees and expenses.

7 7. Since entry of the Amended Final Judgment, HCB has conducted post-judgment
8 discovery through McPherson and numerous other parties, including McPherson's business
9 associates, family, and friends. HCB has subpoenaed banks including Wells Fargo, JP Morgan Chase,
10 UBS AG, Citi Private Bank, Credit Suisse, Bank of America, Branch Banking and Trust Company,
11 BBVA Compass, and others.

12 8. On July 22, 2013, HCB served on McPherson written discovery, including
13 interrogatories, requests for production, and requests for admissions. On July 22, 2013, HCB also
14 served on McPherson a Notice of Deposition.

15 9. Because McPherson failed to respond to HCB's written discovery, on November 27,
16 2013, HCB filed a motion to compel McPherson's post-judgment discovery responses in the District
17 Court Case. The same day, McPherson served her first responses to HCB post-judgment discovery
18 requests. McPherson's responses were incomplete and unsigned.

19 10. On December 6, 2013, HCB served on Kennedy a second Notice of Deposition
20 seeking to depose McPherson on December 19, 2013. On December 19, 2013, HCB deposed
21 McPherson.

22 11. On December 27, 2013, the court in the District Court Case entered an order requiring
23 McPherson to provide complete responses to HCB's post-judgment discovery responses on or before
24 January 31, 2014.

1 12. McPherson provided no additional responses until February 5, 2014. Again,
2 McPherson's responses were incomplete and unsigned.

3 13. On April 17, 2014, HCB served on McPherson another Notice of Deposition seeking
4 to take McPherson's testimony on May 1, 2014. HCB deposed McPherson on May 1, 2014.

5 14. From May 1, 2014, until July 20, 2015, HCB pursued post-judgment discovery
6 through other parties associated with McPherson while continuing to seek proper discovery responses
7 from McPherson. Then, on July 20, 2015, HCB filed a second Motion to Compel and for contempt
8 against McPherson. On July 30, 2015, HCB amended its motion to compel and for contempt.

9 15. The District Court conducted a hearing on HCB's amended motion to compel and for
10 contempt on March 11, 2016. The court ordered McPherson to respond to HCB's post-judgment
11 discovery requests, as agreed between HCB and McPherson at the March 11, 2016, hearing.

12 16. On May 1, 2016, McPherson served Defendant's Supplemental Responses to
13 Plaintiff's Interrogatories and Requests for Production (the "May 2016 Responses"). The May 2016
14 Responses are attached to this Declaration as Exhibit C.

15 17. With respect to Fiore Management, LLC, f/k/a Canndescent, LLC ("Fiore
16 Management"), McPherson disclosed that an entity controlled by her, Canndescent JV, LLC
17 ("Canndescent JV") owned 1% of Fiore. Ex. 2 at 8. McPherson disclosed in the May 2016 Responses
18 that three other entities owned Canndescent JV. Those entities included the Trust U/W/O Babette L.
19 Wiener (the "Babette Trust"); Rockcliff Holdings, LLC; and Lee Kennedy Investments, LLC. *Id.* at
20 8.

21 18. McPherson never disclosed to HCB the extent of her investment in Fiore
22 Management. During HCB's post-judgment discovery efforts, HCB discovered that entities
23 controlled by McPherson contributed \$1,000,000.00 to Fiore Management in 2016. Those entities
24 included LK Freyer Investments, LLC; Hidden Hollow Townhomes; Fountain Square FWB
25 Holdings, LLC; and the Babette Trust.

1 19. In addition, through its post-judgment discovery efforts, HCB discovered that
2 Canndescent JV actually owns nearly one fifth of the membership interests of Fiore Management, a
3 fact never disclosed to HCB by McPherson, even though McPherson controls Canndescent JV.

4 20. According to the Schedule K-1 provided by Fiore Management to Canndescent JV for
5 the 2016 tax year, Canndescent JV owned 18.622% of the membership interests of Fiore
6 Management. A copy of Canndescent JV's 2016 Schedule K-1 from Fiore Management is attached to
7 this Declaration as Exhibit D.

8 21. In addition, McPherson never disclosed to HCB her personal interests in Canndescent
9 JV. Based on HCB's post-judgment discovery, HCB has learned that McPherson also owns 13,125
10 shares/units of membership interest in Fiore Management.

11 22. On March 6, 2018, Canndescent JV filed suit against Fiore Management in that certain
12 civil action styled *Canndescent JV, LLC v. Fiore Management, LLC*, Superior Court of the State of
13 California, County of Santa Barbara, Case No. 18CV01128 (the "California Case"). In the California
14 Case, Canndescent JV admitted that McPherson is the managing member of Canndescent JV.

15 23. McPherson intentionally misrepresented not only her personal interest Canndescent
16 JV, but also Canndescent JV's interest in Fiore Management in her efforts to avoid payment of the
17 Amended Final Judgment. As a result, HCB has been unable to enforce the Amended Final Judgment
18 with respect to McPherson's interests in Canndescent JV and/or Fiore Management.

19 24. On December 24, 2019, HCB filed that certain civil action styled *HCB Financial*
20 *Corp. v. Lee K. McPherson*, United States District Court, Western District of Texas, Case No. 1:18-
21 cv-01120-LY (the "RICO Case"), under the Racketeer Influence and Corrupt Organizations Act
22 ("Civil RICO"), 18 U.S.C. §§ 1961-68. According to the Complaint in the RICO Case, McPherson
23 has conspired with her family members, business associates, and even her lawyers, including one or
24 more of her lawyers in the instant case, to defraud not only HCB, but also banks and others. I have
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1 reviewed the Complaint in the RICO Case, and the allegations continued therein are true and correct
2 to the best of my knowledge, information, and belief.
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5 [SIGNATURE APPEARS ON FOLLOWING PAGE]
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1 Pursuant to 28 U.S.C. § 1746, I declare (or certify, verify, or state) under penalty of perjury
2 under the laws of the United States of America that the foregoing is true and correct. Executed on
3 March 5, 2019.

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5 **JOE DOBSON**
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